

# Power Cost Memorandum Fuel Cost Update and Surcharge Change

Date: August 5, 2021

Utility Name (Cert. No.) <b>Nushagak Electric &amp; Telephone Coop., Inc. (45)</b>	Utility File No. <b>PC81-0318K</b>	Date Filed: <b>June 23, 2021</b>
---	---------------------------------------	-------------------------------------

PCE AMOUNT SUMMARY	Previously Approved PC81-0318J	Staff Recommended Amount(s) and Effective Date PC81-0318K
Class Rate	<u>Date Approved:</u> July 1, 2021	August 6, 2021
Residential	\$0.0000	\$0.0000
Community Facilities:		
Under 20kW	\$0.0000	\$0.0000
Over 20kW	\$0.0000	\$0.0000
<input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent		<input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent

Prior Fuel Purchase Price: \$ <u>1.7777</u>	New Fuel Purchase Price: \$ <u>2.0168</u>
Delivery Charge: <input type="checkbox"/> Actual <input checked="" type="checkbox"/> Weighted	Surcharge Change: Previous <u>0.1246</u> <input type="checkbox"/> Actual <input checked="" type="checkbox"/> Weighted Updated <u>0.1432</u>

Weighted Average Fuel Price/Gal. Calculation					
	Gallons		Price		
On-hand before deliv.	750,424	X	1.7777	=	1,334,028.74
Delivered	684,425	X	2.2789	=	1,559,736.13
	<u>1,434,849</u>				<u>\$ 2,893,764.87</u>
					Weighted Average \$ 2.0168

Signed: \_\_\_\_\_  
Brenda Cox

Utility Financial Analyst

**Commission decision re. this recommendation :**

	Date (if different from 8/5/21)	I CONCUR	I DO NOT CONCUR	I WILL WRITE A DISSENTING STATEMENT *
Pickett		<i>RMP</i>		
Kurber		<i>KKI</i>		
Scott		<i>AGS</i> AGS		
Sullivan		<i>DS</i> DS		
Wilson	8/6/2021	<i>Julw</i>		

Special Instructions to Staff:

\*If this column is initialed, Staff will contact the Commissioner for the statement, otherwise, dissent will simply be noted at the close of the By Direction Letter or Order.

**NUSHAGAK ELECTRIC & TELEPHONE COOPERATIVE, INC.**

Appendix 3

**Average Class Rate Calculation**

Page 1 of 2

Surcharge Rate: \$0.14320

Basic Charge (BC): \$20.00

Rate Schedule: Residential

(1) kWh by Block	(2) Rate (\$/kWh)	(3) Surcharge If Applicable (\$/kWh)	(4) Total (\$/kWh) (2+3)	(5) Total \$ (1x4)+BC	(6) Avg. (\$/kWh) (E)/(A)	(7) Avg. Rate (\$/kWh) - 0.2003
500	0.2628	0.14320	0.4060	223.0000		

500				223.0000	0.4460	0.2457
<b>TOTAL (A)</b>				<b>(E)</b>		

Rate Schedule:

(1) kWh by Block	(2) Rate (\$/kWh)	(3) Surcharge If Applicable (\$/kWh)	(4) Total (\$/kWh) (2+3)	(5) Total \$ (1x4)	(6) Avg. (\$/kWh) (E)/(A)	(7) Avg. Rate (\$/kWh) - 0.2003

<b>TOTAL (A)</b>	<b>(E)</b>
------------------	------------

PC81-0318K

Appendix 3

Page 1 of 2

**NUSHAGAK ELECTRIC & TELEPHONE COOPERATIVE, INC.**  
Community Facilities Average Rate Calculation

Appendix 3

Page 2 of 2

Basic Charge (BC): \$35.00  
Rate Schedule: Community under 20kW

(1) Block	(2) Rate/ kWh	(3) Surcharge (\$/kWh)	(4) Total (\$/kWh) (2+3)+(BC/500)	(6) Average Rate(\$/kWh)- 0.2003
<b>0 to 20,000</b>	<b>0.2736</b>	<b>0.14320</b>	<b>0.4868</b>	<b>0.2865</b>

Rate Schedule: Community over 20kW  
Basic Charge (BC): \$75.00

(1) Block	(2) Rate/ kWh	(3) Surcharge (\$/kWh)	(4) Total (\$/kWh) (2+3)+(BC/500)	(6) Average Rate(\$/kWh)- 0.2003
<b>0 to 99,999</b>	<b>0.2366</b>	<b>0.14320</b>	<b>0.5298</b>	<b>0.3295</b>

PC81-0318K  
Appendix 3  
Page 2 of 2

# Nushagak Telephone and Electric Cooperative

	Date	Gallons	Cost per Gallon	Delivery /Mark-up per Gallon	Total Cost
Beginning Fuel Inventory		750,424			
Last Approved Fuel Cost/Gal.			\$ 1.7777		
Beginning Fuel Inventory in Gallons	X	Last Approved Fuel Cost/Gal. = Beginning Fuel Inventory Cost --->		\$	1,334,029
Reporting Period Purchases	05/28/21	250,000	2.2944		573,600
	05/28/21	234,425	2.0276		475,320
	05/28/21	60,204	2.3553		141,798
	05/28/21	139,796	2.3553		329,262
	05/31/21	Wharfage	18,277.73		18,278
	07/01/21	Interest	21,491.32		21,491
					-
					-
					-
					-
					-
Totals for Reporting Period Purchases on this sheet:		684,425			1,559,749
Grand Totals (beginning inventory plus purchases)		1,434,849		\$	2,893,778
Total Cost for Reporting Period divided by Total Gallons for Reporting Period =				\$	2.2789
Grand Total Cost divided by Grand Total Gallons =				\$	2.0168

# NUSHAGAK ELECTRIC & TELEPHONE COOPERATIVE, INC.

APPENDIX 2

SCHEDULE OF ELIGIBLE POWER COSTS, SALES, AND EFFICIENCY  
FOR TEST PERIOD ENDING DECEMBER 31, 2017

## Fuel Cost Update

		PC81-0318J	PC81-0318K	
		Prior Commission Approval	Per Utility	Per Staff
<b>Non-Fuel Costs:</b>				
A. Personnel Costs		730,218	730,218	730,218
B. Operating Expenses		1,890,854	1,890,854	1,890,854
C. General & Administrative		903,777	903,777	903,777
D. Depreciation/Amortization		504,251	504,251	504,251
E. Interest Expense		71,276	71,276	71,276
F. Other (Waste Heat Revenue)		(214,457)	(214,457)	(214,457)
<b>G. Total Non-Fuel Costs</b>		<b>3,885,919</b>	<b>3,885,919</b>	<b>3,885,919</b>
<b>Fuel Costs:</b>				
H. Gallons Consumed for Electric Generation		1,266,644	1,266,644	1,266,644
I. Price of Fuel:(per gal) Weighted Average		1.7777	2.0168	2.0168
<b>J. Total Cost of Fuel</b>		<b>2,251,713</b>	<b>2,554,568</b>	<b>2,554,568</b>
K. kWh Generated		19,029,200	19,029,200	19,029,200
L. kWh Sales		17,703,210	17,703,210	17,703,210
M. kWh Station Service		390,900	390,900	390,900
N. Efficiency (K / H)	≥ Standard 13.50	15.02	15.02	15.02
O. Line Loss	≤ 12%	4.91%	4.91%	4.91%
(kWh generated - (kWh sold+Station Service)/kWh generated				

PC81-0318K  
Appendix 2

# NUSHAGAK ELECTRIC & TELEPHONE COOPERATIVE, INC.

APPENDIX 1

POWER COST EQUALIZATION CALCULATION  
FOR TEST PERIOD ENDING DECEMBER 31, 2017

## Fuel Cost Update

	PC81-0318J	PC81-0318K	
	Prior Commission Approval	Utility Request	Staff Recommended
A. Total kWh Generated	19,029,200	19,029,200	19,029,200
B. Total kWh Sold	17,703,210	17,703,210	17,703,210
C. Total Non-Fuel Costs (Appendix 2)	3,885,919	3,885,919	3,885,919
<b>D. Non-Fuel Cost/kWh (C / B)</b>	<b>0.2195</b>	<b>0.2195</b>	<b>0.2195</b>
E. Total Fuel Costs (Appendix 2)	2,251,713	2,554,568	2,554,568
<b>F. Fuel Costs/kWh (E / B)</b>	<b>0.1272</b>	<b>0.1443</b>	<b>0.1443</b>
G. Eligible Costs/kWh (D + F)	0.3467	0.3638	0.3638
H. Eligible Cost/kWh (G) less base rate in effect	0.1464	0.1635	0.1635
I. Lesser of (H) or 79.97 cents/kWh	0.1464	0.1635	0.1635
J. Average Class Rates (Appendix 3)			
Residential	0.2271	0.2457	0.2457
Community Facilities:			
Under 20 KW	0.2679	0.2865	0.2865
Over 20KW	0.3109	0.3295	0.3295
Class Power Cost Equalization Per kWh Payable			
K. Lesser of: (I) x 95% or (J)			
Residential	0.1391	0.1553	0.1553
Community Facilities:			
Under 20 KW	0.1391	0.1553	0.1553
Over 20KW	0.1391	0.1553	0.1553
<b>Funding Level in Effect</b>	<b>*0%</b>	<b>0%</b>	<b>0%</b>
L. <b>Residential</b>	0.0000	0.0000	0.0000
<b>Community Facilities:</b>			
<b>Under 20 KW</b>	0.0000	0.0000	0.0000
<b>Over 20KW</b>	0.0000	0.0000	0.0000

\*Order U-21-019(3), dated July 22, 2021, determined the PCE amount to be  
00.00 cents/kWh, for bills rendered on or after July 1, 2021

PC81-0318K

Signature: 

Email: antony.scott@alaska.gov

Signature: Daniel Sullivan

Daniel Sullivan (Aug 6, 2021 09:15 AKDT)

Email: daniel.sullivan@alaska.gov

Signature: Janis W. Wilson

Janis W. Wilson (Aug 6, 2021 09:25 AKDT)

Email: janis.wilson@alaska.gov

Signature: 

Email: bob.pickett@alaska.gov

Signature: Keith Kurber II

Keith Kurber II (Aug 5, 2021 09:45 AKDT)

Email: keith.kurber@alaska.gov